

# HOUSE BILL No. 1330

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## DIGEST OF INTRODUCED BILL

**Citations Affected:** IC 4-12-8-2; IC 4-30.

**Synopsis:** Prescription drug program funding. Requires the lottery commission to establish a \$2 instant win game for the benefit of the prescription drug program. Requires the lottery commission to transfer \$1 for each ticket sold to the prescription drug account.

**Effective:** July 1, 2003.

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**Adams T, Young D**

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January 14, 2003, read first time and referred to Committee on Ways and Means.

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First Regular Session 113th General Assembly (2003)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2002 Regular or Special Session of the General Assembly.

## HOUSE BILL No. 1330

A BILL FOR AN ACT to amend the Indiana Code concerning the lottery and to make an appropriation.

*Be it enacted by the General Assembly of the State of Indiana:*

- 1 SECTION 1. IC 4-12-8-2, AS AMENDED BY P.L.107-2002,  
2 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
3 JULY 1, 2003]: Sec. 2. (a) The Indiana prescription drug account is  
4 established within the Indiana tobacco master settlement agreement  
5 fund for the purpose of providing access to needed prescription drugs  
6 to ensure the health and welfare of Indiana's low-income senior  
7 citizens. The account consists of:  
8 (1) amounts to be distributed to the account from the Indiana  
9 tobacco master settlement agreement fund;  
10 **(2) amounts transferred to the account from the lottery**  
11 **administrative trust fund under IC 4-30-16-1(3);**  
12 ~~(2)~~ **(3)** appropriations to the account from other sources;  
13 ~~(3)~~ **(4)** rebates:  
14 (A) required under 42 U.S.C. 1396r-8(a) for a Medicaid  
15 waiver under which a prescription drug program is established  
16 or implemented; or  
17 (B) voluntarily negotiated under a prescription drug program



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that is established or implemented;  
 to provide access to prescription drugs for low income senior  
 citizens; and  
~~(4)~~ **(5)** grants, gifts, and donations intended for deposit in the  
 account.

(b) The account shall be administered by the budget agency.  
 Expenses for administration and benefits under the Indiana prescription  
 drug program established under IC 12-10-16 shall be paid from the  
 account. Money in the account at the end of the state fiscal year does  
 not revert to the state general fund or the Indiana tobacco master  
 settlement agreement fund but is annually appropriated and remains  
 available for expenditure for a prescription drug program established  
 or implemented to provide access to prescription drugs for low income  
 senior citizens.

(c) Money in the account may be used to match federal funds  
 available under a Medicaid waiver under which a prescription drug  
 program is established or implemented to provide access to  
 prescription drugs for low income senior citizens.

**(d) Money transferred to the account from the lottery  
 administrative trust fund under IC 4-30-16-1(3) is annually  
 appropriated to provide access to prescription drugs for low  
 income senior citizens.**

SECTION 2. IC 4-30-3-20 IS ADDED TO THE INDIANA CODE  
 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY  
 1, 2003]: **Sec. 20. (a) The commission shall establish an instant  
 game for the benefit of the Indiana prescription drug program  
 established under IC 12-10-16.**

**(b) The instant game established under this section must cost  
 two dollars (\$2) to play. The game must be subject to the same  
 rules and have the same odds of winning as other instant games  
 costing two dollars (\$2) to play.**

**(c) The commission shall set aside one dollar (\$1) for each ticket  
 sold in the game for transfer to the prescription drug account  
 established under IC 4-12-8.**

**(d) The instant game established under this section must be  
 easily identified with the unique use of the game's proceeds and  
 marketed accordingly.**

SECTION 3. IC 4-30-16-1 IS AMENDED TO READ AS  
 FOLLOWS [EFFECTIVE JULY 1, 2003]: **Sec. 1. (a) The money in the  
 administrative trust fund shall be used for the following:**

- (1) To pay prizes.
- (2) To pay the expenses for the operation of the lottery, including

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1 setting aside an amount determined by the commission to be  
 2 necessary for the cash flow needs of the commission. These  
 3 expenses include all costs incurred in the operation and  
 4 administration of the lottery and all costs resulting from any  
 5 contracts entered into for the purchase or lease of goods and  
 6 services required by the lottery, including the following:

7 (A) The compensation paid to retailers.

8 (B) The costs of supplies, materials, tickets, independent audit  
 9 services, independent studies, data transmission, advertising,  
 10 promotion, incentives, public relations, communications,  
 11 security, bonding for retailers, printing, distribution of tickets,  
 12 and reimbursing other governmental entities for services  
 13 provided to the lottery.

14 (C) The costs of any other goods and services necessary for  
 15 carrying out this article.

16 **(3) To transfer the money set aside by the commission under**  
 17 **IC 4-30-3-20(c) to the Indiana prescription drug account**  
 18 **established under IC 4-12-8-2.**

19 ~~(3)~~ **(4)** To make transfers of the revenue remaining after making  
 20 the payments necessary under subdivisions (1) ~~and (2)~~ **through**  
 21 **(3)** (referred to as "surplus revenue" in this article) to the treasurer  
 22 of state for deposit as provided in this chapter.

23 **(b) The commission shall make the transfers required under**  
 24 **subdivision (3) on a monthly basis.**

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